

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT

OF

COUNTY TREASURER

PARKE COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
06/25/2013

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Mary Alice Gregg	01-01-09 to 12-31-16
President of the County Council	James A. Rahn	01-01-12 to 12-31-13
President of the Board of County Commissioners	George Nicholas Jim Meece	01-01-12 to 12-31-12 01-01-13 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF PARKE COUNTY

We have audited the records of the County Treasurer for the period from January 1, 2012 to December 31, 2012, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Parke County for the year 2012.

STATE BOARD OF ACCOUNTS

April 23, 2013

COUNTY TREASURER
PARKE COUNTY
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

We noted several deficiencies in the internal control system of the County related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

Treasurer's Monthly Reconciliation: The monthly comparison report which compares the Treasurer's fund balances to the Auditor's fund balances is not compared to the monthly bank reconciliation. The bank balance is reconciled only to the Treasurer's Cash Book. In two of three months tested, the amount shown on the comparison report did not agree to the bank reconciliation.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control.

Controls over the receipting, disbursing, recording and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Chapter 10)

TREASURER'S MONTHLY REPORT (47-TR)

The Treasurer did not properly complete the Monthly Report (47-TR).

MONTHLY FINANCIAL REPORT (Form 47TR): On or before the 16th day of each month the treasurer shall prepare a report showing the financial condition of the office as of the close of business on the last day of the preceding month. This report shall show the amounts with which the treasurer is chargeable for the various funds and accounts, the amounts with which the treasurer is credited for money on deposit, invested and cash on hand, and any long or short at the close of each month. The report also provides space for reconciliation with depositories. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers, Chapter 4)

COUNTY TREASURER
PARKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 23, 2013, with Mary Alice Gregg, Treasurer; Jim Meece, President of the Board of County Commissioners; John K. Pratt, Vice President of the County Council; James A. Rahn, President of the County Council; and Pam Adams, County Auditor. The officials concurred with our audit findings.